

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

NEW ENGLAND POWER COMPANY) FE DOCKET NO. 90-09-NG
_____)

ORDER AMENDING LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 551-D

On November 13, 1996, as supplemented December 10, 1996, New
England Power Company (NEP) filed an application with the Office
of Fossil Energy (FE) of the Department of Energy (DOE), under
section 3 of the Natural Gas Act (NGA)^{1/} and DOE Delegation

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Order Nos. 0204-111 and 0204-127, to amend its long-term import
authorization issued November 27, 1991, in DOE/FE Order No. 551
(Order 551)^{2/}, as amended by DOE/FE Order Nos. 551-A3/,

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551-B4/, and 551-C5/. Under the arrangement approved in

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Order 551, as amended, NEP is authorized to import through
November 26, 2006, up to 60,000 Mcf per day of firm natural gas

/ 15 U.S.C. 717b.

/ 1 FE 70,502.

/ 1 FE 70,956.

/ 1 FE 71,146.

/ 1 FE 71,218.

supplies under purchase contracts with two Canadian producers, Renaissance Energy Limited (15,000 Mcf per day) and Sceptre Resources Limited (Sceptre) (45,000 Mcf per day). NEP uses the imported gas supply for electric generation and for resale on the domestic spot market. NEP has exercised its right under its contract with Sceptre^{6/} to decrease contract purchases by

10,000 MMBtu per day,^{7/} and requests that DOE amend NEP's

authority to reflect this decrease in import volumes. Consistent with the decreased purchases from Sceptre, NEP on November 1, 1996, also released 10,000 Mcf per day of pipeline capacity on TransCanada PipeLines Limited, which delivers the gas to the international border.

Under section 3 of NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486), the importation of natural gas from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest, and related applications must be granted without modification or delay. Approving NEP's application to amend its current authority covering imports of natural gas produced in Canada meets the section 3(c) criterion and, therefore, is consistent with the public interest.

^{6/} NEP's contract with Sceptre is dated August 31, 1988, as amended February 5, 1990, August 10, 1992, and August 2, 1995.

/ 1 MMBtu is equivalent to 1 Mcf.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. DOE/FE Order No. 551 (Order 551), issued to New England Power Company (NEP) on November 27, 1991, as amended by DOE/FE Order Nos. 551-A (issued May 2, 1994), 551-B (issued August 2, 1995), and 551-C (issued December 20, 1995), is further amended to decrease the volumes of natural gas NEP may import from Sceptre Resources Limited (Sceptre) from 45,000 Mcf per day to 35,000 Mcf per day. This decrease of imported natural gas shall be accomplished in accordance with the provisions of NEP's supply contract with Sceptre dated August 31, 1988, as amended.

B. All other terms and conditions of the import authorization contained in Order 551, as amended, shall remain in full force and effect.

Issued in Washington, D.C., on February 6, 1997.

Wayne E. Peters
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import and Export Activities
Office of Fossil Energy